UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

SPIN MASTER LTD. and SPIN MASTER, INC.

Plaintiffs,

V.

ACIPER et al.

Defendants.

Case No.: 19-cv-6949

AMENDED DECLARATION OF WANG LE IN SUPPORT OF MOTION TO DISSOLVE OR MODIFY THE EX PARTE RESTRAINING ORDER

Wang Le, declares under penalty of perjury under the laws of the United States of America, pursuant to 28 U.S.C. § 1746, that the following is true and correct:

- 1. I am a Manager of Shenzhen Yongli Hongtai Investment Development Co., Ltd., d/b/a Jscout ("Jscout" or "Defendant"), a defendant in this action. I submit this amended declaration in support of Defendant's motion to dissolve or modify the *ex parte* restraining order entered by this Court on August 1, 2019. I am over 18 years of age. This declaration is made upon personal knowledge, except where otherwise noted.
- 2. Due to a misunderstanding of earlier communications and translations, certain data was inadvertently omitted from my reporting in connection with my Declaration dated September 4, 2019. I submit this Amended Declaration to clarify the data and in response to Plaintiff's memorandum of law filed September 11, 2019.
- 3. I understand Plaintiffs expressed confusion in their opposition brief to my previous identification of ASIN B07KLSB6NZ. See Opp. Br. at 3; Le Decl. Dkt. 21 ¶4. This was a Parent ASIN created by Amazon which was associated with the Disputed Product. For

unknown reasons, Amazon has also used 10 other Parent ASINs in their categorization system for the Disputed Product.

- 4. As I have previously declared, the Disputed Product is identified in Jscout's records as having a Child ASIN B07FKRY7CK. The title of Jscout's Disputed Product is "Epoch Air Rc Cars for Kids Remote Control Car Toys Wall Climbing Dual Mode 360°Rotating Stunt Rechargeable High Speed Vehicle with LED Lights." The Child ASIN is the most accurate ASIN to use in identifying our sales of the specific product.
- Plaintiffs have not provided Amazon's Supplemental Discovery to our counsel so
 it is hard to completely account for the discrepancies in the data, and any discrepancies are not
 intended to be misleading.
- My understanding is Amazon only allows us to download sales figures for the last two years. My revised figures therefore date back to around October 1, 2017.
- Our records indicate 48,884 total orders for the Disputed Product with Child
 ASIN B07FKRY7CK during this time frame, reflecting a total of \$1,349,219.
- Jscout offers a variety of other products through its Amazon storefront, such as a hovering soccer ball, a construction toy set, and a drawing mat, to name a few.
- 9. Our records indicate that Jscout received 68,675, orders totaling \$1,283,493 orders for other toys and items that are not at issue in this suit. Thus, our records indicate that the Disputed Product accounts for approximately 42% of Defendant's total orders. And approximately 58% of Defendant's orders have nothing to do with the Disputed Product.
- Just under 50% of our revenues during this time came from sales of products other than the Disputed Product.

- 11. Accordingly, I hereby amend ¶¶ 5-7 of my Declaration dated September 4, 2019 to reflect these updated figures.
- 12. The key point remains: Defendant's Amazon storefront is currently frozen and it is unable to engage in selling roughly 70 other products that are not wall climbing toy cars.

 Although the percentage of our total sales from these toys is closer to 50%, the gross amount of non-disputed sales that are being impacted by the asset freeze is the same is previously reported.
- 13. Plaintiffs claim that Defendant Jscout has other avenues to conduct its business, such as the Epoch Air Website, is not accurate. Jscout's sales happen entirely on Amazon and they have not sold any toy cars through other websites. My understanding is the product listings on the Epoch Air website is to simply showcase the products.
- 14. Plaintiffs claim that we could keep selling the non-disputed toys on Amazon, but any revenues from sales of those toys will be automatically frozen. Since the TRO has gone into effect, the amount of assets frozen have grown from ~\$20,340 to approximately \$50,000.
- 15. Plaintiffs also say that we could just not sell toys on Amazon, but Amazon has more than a third of of the e-commerce market. Defendant's entire business is extremely prejudiced by the continued freezing of all its assets and the inability to use its Amazon storefront.
- 16. I respectfully request that Defendant's application to vacate or modify the TRO as against it is granted.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct,

Executed on: <u>9.13</u>, 2019

By: WANGLE